LISTING OF CLAIMS

This listing of claims will replace all prior versions, and listings, of claims in the application.

1. (Original) A fuel oil characterized in that said fuel oil contains substantially no granules greater than 10 nm.

2. (Original) A fuel oil according to claim 1, characterized in that said fuel oil contains substantially no granules greater than 5 nm.

3. (Original) A fuel oil according to claim 2, characterized in that said fuel oil contains substantially no granules greater than 3 nm.

4. (Previously Presented) A fuel oil according to claim 1, characterized in that said fuel oil is gasoline.

5. (Previously Presented) A fuel oil according to claim 1, characterized in that said fuel oil is diesel oil.

6. (Previously Presented) A fuel oil according to claim 1, characterized in that said fuel oil is kerosene.

7. (Previously Presented) A fuel oil according to claim 1, characterized in that said fuel oil is heavy oil.

8. (Previously Presented) A fuel oil according to claim 1, characterized in that said fuel oil is bio-diesel.

9. (Currently Amended) A method for preparing a fuel oil, comprising:

passing a ~~conventional~~ fluid fuel oil with molecular cluster granules of a size larger than 300 nm through a magnetic field formed by two like-magnetized poles located opposite to each other with a gap therebetween, the gap being less than 0.5 mm, the two like-magnetized poles each having a magnetic intensity greater than 5,000 Gauss and an intrinsic coersivity greater than 18,000 Oersted and forming an air gap magnetic field intensity of at least 8000 Gauss and a magnetic field gradient of at least 1.5 tesla/cm in a direction intersecting with magnetic force lines generated by the magnetic field.

10. (Previously Presented) A method according to claim 9, characterized in that said magnetic field has an air gap magnetic field intensity of at least 10,000 Gauss and a magnetic field gradient at least 1.8 tesla/cm.

11. (Cancelled)

12. (Previously Presented) A method according to claim 9, characterized in that said magnetic field is an alternating current magnetic field.

13. (Cancelled)

14. (Currently Amended) The method of claim 9, further comprising: ~~A fuel oil of claim 13, wherein~~

using the fuel oil after passing the fuel oil through the magnetic field such that the fuel oil contains substantially no granules greater than 10 nm.

15. (Previously Presented) The method of claim 9 wherein the two like-magnetized poles are permanent magnets.